



THE
BABCOCK
&
WILCOX
COMPANY

SEVENTY-SECOND

*Annual
Report*

FOR THE CALENDAR YEAR

1952

7621.184
B114R

ANNUAL REPORT

OF THE

STATE OF

NEW YORK

FOR THE YEAR

1890

ALBANY:

1891



THE
BABCOCK
&
WILCOX
COMPANY

A N N U A L R E P O R T

1 9 5 2

DIRECTORS

A. G. PRATT, *Chairman*

E. G. BAILEY

C. W. MIDDLETON

ALFRED IDDLES

STODDARD M. STEVENS

PAUL D. MERICA

B. A. TOMPKINS

JOHN C. TRAPHAGEN

OFFICERS

ALFRED IDDLES	-	-	-	-	-	-	-	<i>President</i>
C. H. GAY	-	-	-	-	-	-	-	<i>Vice President</i>
J. H. KING	-	-	-	-	-	-	-	<i>Vice President</i>
A. M. KOHLER	-	-	-	-	-	-	-	<i>Vice President</i>
EDWARD A. LIVINGSTONE	-	-	-	-	-	-	-	<i>Vice President</i>
W. T. McCULLOUGH, JR.	-	-	-	-	-	-	-	<i>Vice President</i>
ALAN E. PHIN	-	-	-	-	-	-	-	<i>Vice President</i>
LUKE E. SAWYER	-	-	-	-	-	-	-	<i>Vice President</i>
L. S. WILCOXSON	-	-	-	-	-	-	-	<i>Vice President</i>
W. G. DRYDEN	-	-	-	-	-	-	-	<i>Secretary and Treasurer</i>
P. H. FORBES	-	-	-	-	-	-	-	<i>Comptroller</i>
M. NIELSEN	-	-	-	-	-	-	-	<i>Asst. Vice President</i>
R. J. CANTWELL	-	-	-	-	-	-	-	<i>Asst. Comptroller</i>
N. K. FELDMAN	-	-	-	-	-	-	-	<i>Asst. Comptroller</i>
R. D. WING	-	-	-	-	-	-	-	<i>Asst. Comptroller</i>

General Offices: 161 E. 42 St., NEW YORK 17

Stock Transfer Agent: BANKERS TRUST CO., 16 WALL ST., NEW YORK 15

Registrar: THE BANK OF NEW YORK, 48 WALL ST., NEW YORK 5

General Counsel: SULLIVAN & CROMWELL

Auditors: PRICE WATERHOUSE & CO.



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ANALYSIS OF 1952 CONSOLIDATED OPERATIONS

	Total Dollars	Cents per Dollar of Shipments
The sales value of products shipped to customers was - - - - -	<u>\$218,717,028</u>	<u>100.0</u>
Costs and expenses were as follows		
Materials and services purchased - -	120,492,117	55.1
Payrolls, pensions, social security taxes, workmen's compensation and group insurance - - - - -	77,598,627	35.5
Taxes — federal, state and local - -	10,473,623	4.8
Depreciation of plant and equipment (wear and tear) - - - - -	<u>2,992,412</u>	<u>1.3</u>
Total costs and expenses were - - - -	<u>211,556,779</u>	<u>96.7</u>
Income from operations was - - - - -	7,160,249	<u>3.3</u>
Income from investments less taxes amounted to -	<u>1,528,992</u>	
Income for the year was - - - - -	8,689,241	
Cash dividends declared amounted to - - \$2,822,232		
Income retained and transferred to capital by payment of 5% stock dividend - - - <u>2,353,000</u>	<u>5,175,232</u>	
Remainder of income retained - - - -	<u>\$ 3,514,009</u>	
The Company spent for new buildings and equipment - - - - -	\$ 9,281,504	
Number of shares of capital stock outstanding end of year - - - - -	1,411,116	
Number of stockholders end of year - - -	5,716	
Average number of employees during the year -	16,104	



THE
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New York, N. Y.
February 26, 1953

TO THE STOCKHOLDERS OF
THE BABCOCK & WILCOX COMPANY:

THE Seventy-Second Annual Report of The Babcock & Wilcox Company covering operations for the year 1952 is respectfully submitted.

EARNINGS

The consolidated net income from operations and investments for the year amounted to \$8,689,241, equal to \$6.16 per share on the 1,411,116 shares outstanding at the end of the year, which compares with net income of \$8,004,782 or \$5.67 per share for the year 1951.

While the sales value of products shipped to customers was the highest in the Company's history, the percentage of profit on sales was the lowest attained for some years. This was due in large measure to the steel strike and to cost increases resulting from subcontracting and the use of foreign and warehouse steel. Such increased costs were only partially recoverable because of price control regulations and contractual limitations.

DIVIDENDS

During 1952 the Company declared regular dividends amounting to \$2.00 per share. In addition a 5% stock dividend was declared payable on January 14, 1953 to stockholders of record December 17, 1952. The payment of this stock dividend resulted in the issuance of 70,555 shares and the transfer of \$2,353,000 from Retained Earnings to Capital Account.

FINANCIAL POSITION

Funds produced within the business were not great enough to finance the large expenditures for property, plant and equipment and the greater amount of receivables and inventories incident to the sharp increase in volume of shipments during the year. Therefore the Company



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increased short term bank loans from \$3,000,000 to \$10,000,000 and, in addition, sold to a limited number of institutional investors \$10,000,000 aggregate principal amount of 3¼% promissory notes due June 1, 1967.

PROPERTY, PLANT AND EQUIPMENT

In 1952 expenditures for property, plant and equipment totaled approximately \$9,281,000 and at December 31, 1952 additional expenditures of \$7,347,000 had been authorized. Most of the amounts expended and authorized were for the Boiler and Tubular Products Divisions, about equally divided between the two.

All of the new facilities being acquired for the Tubular Products Division are located at established plants, while a large part of those for the Boiler Division are at new sites at Brunswick, Georgia; Paris, Texas; West Point, Mississippi and two at Wilmington, N. C., one of which is leased.

As of December 31, 1952 the Company had received Necessity Certificates permitting it to amortize over a five year period approximately \$14,500,000 of facilities of which \$9,428,000 was completed at the end of the year.

UNFILLED ORDERS

While a large volume of orders was received in 1952, such volume was exceeded by the all time high in shipments. For that reason unfilled orders on December 31, 1952, were \$318,128,000, as compared with \$333,963,000 at the end of the previous year. Orders received during the year were \$202,882,000, as compared with \$295,777,000 in 1951.

STOCKHOLDERS

During the past few years more and more persons have become interested in the Company's stock so that the number of stockholders increased from 2,840 at the end of 1945 to 5,716 on



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December 31, 1952. On that date no single stockholder of record held as much as 3% of the total shares outstanding.

In order to provide a better market for the Company's shares the stock was listed on the New York Stock Exchange in June 1952.

EMPLOYEES

The Company and its wholly owned subsidiary, A. M. Lockett & Co., Ltd., employed an average of 16,104 persons during the year 1952. Of these 1,305 have twenty or more years of service.

Pension payments during the year amounted to \$348,492 and employees were covered by \$64,765,000 of group life insurance on December 31, 1952.

The Tubular Products Division plants at Beaver Falls, Pennsylvania and Alliance, Ohio, in common with other plants of companies whose employees are represented by United Steelworkers of America, CIO, were shut down in the early summer by strikes which were settled upon the granting by the Company of substantially the same wage increases, benefits and union security provisions as granted by the major companies in the steel industry.

RESEARCH AND DEVELOPMENT

The Company has continued its research and development program at about the same rate as in 1951. The new processes and equipment described and illustrated in last year's report are in service and well on the way to meeting their expected performance.

The Company has been active throughout the year in engineering and design studies for the use of atomic energy. Although it appears that the commercial use of atomic energy will not be economically feasible for some years to come, present plans for the utilization of atomic energy as a source of power require boilers and other Company products. Thus the Company's engineering and manufacturing experience especially qualify it to participate in



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the design and fabrication of important components required for the atomic power plant.

In addition the Company continues to contribute to the military use of atomic energy and has partially completed fabrication of important parts of the atomic power plant for the first Navy submarine to be so equipped. Engineering, design and manufacturing of components of atomic power plants for additional Navy ships is underway.

By Order of the Board of Directors.

ALFRED IDDLES,
President.



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CONSOLIDATED STATEMENT OF INCOME AND RETAINED EARNINGS
FOR THE CALENDAR YEAR 1952

(With comparative figures for the year 1951)

	1952	1951
Sales (shipments) - - - - -	-\$218,717,028	\$164,174,351
Costs and expenses		
Materials, payrolls, services and taxes other than federal taxes on income - - - - -	198,698,735	142,814,145
Depreciation and amortization of plants and equipment -	2,992,412	1,822,562
	<u>201,691,147</u>	<u>144,636,707</u>
	17,025,881	19,537,644
Income from investments - - - - -	1,708,322	1,244,955
Interest expense (deduct) - - - - -	(384,962)	(4,817)
	<u>18,349,241</u>	<u>20,777,782</u>
Federal income and excess profits taxes (excess profits tax 1952 \$161,000 and 1951 \$2,270,000) - - - - -	9,660,000	12,773,000
Income for the year - - - - -	<u>8,689,241</u>	<u>8,004,782</u>
Dividends declared		
Cash - - - - -	2,822,232	2,822,232
5% stock dividend (declared November 24, 1952, issued in January 1953 — 70,555 shares at value assigned by Board of Directors of \$33.35 a share) - - -	2,353,000	
	<u>5,175,232</u>	<u>2,822,232</u>
Remainder added to retained earnings - - - - -	3,514,009	5,182,550
Retained earnings at beginning of year - - - - -	41,257,988	36,075,438
Retained earnings at end of year (see note) - - - - -	<u>-\$ 44,771,997</u>	<u>\$ 41,257,988</u>
The Company's proportion of the net income for the year of companies controlled but not consolidated, less dividends received - - - - -	-\$ 1,029,740	\$ 1,096,300

Restriction on payment of dividends:

The payment or declaration of dividends on the Company's stock are restricted under the provisions of the Note Agreements covering \$10,000,000 principal amount of 3¼% promissory notes dated June 1, 1952. Substantially such provisions restrict dividend payments (except stock dividends) and acquisitions of the Company's capital stock after December 31, 1951 to the amount of consolidated retained earnings accumulated since that date, plus \$5,000,000. At December 31, 1952 the amount of retained earnings subject to such restrictions was \$34,000,000.



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CONSOLIDATED STATEMENT OF FINANCIAL CONDITION AT DECEMBER 31, 1952
(With comparative figures at December 31, 1951)

CURRENT ASSETS	1952	1951
Cash - - - - -	\$ 5,145,665	\$ 6,913,970
Accounts receivable - - - - -	38,887,622	29,138,024
Unbilled shipments and installations, at contract prices -	17,596,890	8,527,940
Inventories, at cost, less reserve for obsolescence and estimated costs of partial shipments of contract work in progress - - - - -	48,742,685	43,348,900
Advance payments on contracts (deduct) - - -	(13,750,200)	(9,083,390)
TOTAL CURRENT ASSETS	<u>96,622,662</u>	<u>78,845,444</u>
CURRENT LIABILITIES		
Notes payable to banks - - - - -	10,000,000	3,000,000
Accounts payable - - - - -	10,988,802	8,588,792
Accrued liabilities (payrolls, commissions and taxes other than federal taxes on income) - - - - -	8,544,256	7,113,555
Cash dividends payable - - - - -	705,558	705,558
Provision for additional costs on contracts - - -	2,500,000	2,500,000
Federal income and excess profits taxes - - -	10,850,332	13,560,108
TOTAL CURRENT LIABILITIES	<u>43,588,948</u>	<u>35,468,013</u>
WORKING CAPITAL - - - - -	53,033,714	43,377,431
INVESTMENTS, at cost - - - - -	4,115,010	4,122,710
PENSION RESERVE INVESTMENTS in U.S. Gov't securities, at cost	2,000,000	2,000,000
PROPERTY, PLANT AND EQUIPMENT (schedule attached) -	28,792,130	22,511,367
COSTS ALLOCABLE TO FUTURE OPERATIONS - - -	281,142	343,479
PATENTS - - - - -	1	1
WORKING CAPITAL AND OTHER ASSETS	<u>88,221,997</u>	<u>72,354,988</u>
DEDUCT		
Fifteen-year 3¼% notes due June 1, 1967 (requiring certain annual prepayments commencing in 1957) -	10,000,000	
Reserve for pensions - - - - -	2,000,000	2,000,000
Excess of assets over liabilities and reserves - -	<u>\$76,221,997</u>	<u>\$70,354,988</u>
REPRESENTED BY		
Capital stock, without par value, authorized 3,000,000 shares, issued - - - 1,411,116 shares	\$29,097,000	\$29,097,000
5% stock dividend issued in January 1953 - - 70,555 shares	2,353,000	
Retained earnings (see note Page 7) - - - - -	44,771,997	41,257,988
	<u>\$76,221,997</u>	<u>\$70,354,988</u>
Equity of the Company in net assets of companies controlled but not consolidated, less carrying value of investments in these companies of \$1,938,210 in 1952 and \$1,946,010 in 1951 - - - - -	\$ 8,944,351	\$ 7,914,611



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PROPERTY, PLANT AND EQUIPMENT

Cost	1952	1951
At beginning of year - - - - -	\$45,575,910	\$37,755,716
Expenditures during year - - - - -	9,281,504	7,963,968
Retired or sold during year - - - - -	(366,914)	(143,774)
At end of year - - - - -	<u>54,490,500</u>	<u>45,575,910</u>

Depreciation and Amortization

At beginning of year - - - - -	23,064,543	21,373,348
Charged to operations during year - - - - -	2,992,412	1,822,562
Accumulated on property retired or sold during year - - - - -	(358,585)	(131,367)
At end of year - - - - -	<u>25,698,370</u>	<u>23,064,543</u>
Net book value - - - - -	<u>\$28,792,130</u>	<u>\$22,511,367</u>



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OPINION OF INDEPENDENT PUBLIC ACCOUNTANTS

TO THE BOARD OF DIRECTORS OF
THE BABCOCK & WILCOX COMPANY:

In our opinion, the accompanying financial statements present fairly the position of The Babcock & Wilcox Company and its wholly owned subsidiary company at December 31, 1952 and the results of their operations for the year then ended, in conformity with generally accepted accounting principles applied on a basis consistent with that of the preceding year. Our examination of such statements was made in accordance with generally accepted auditing standards and accordingly included such tests of the accounting records and such other auditing procedures as we considered necessary in the circumstances.

PRICE WATERHOUSE & CO.

New York,
February 25, 1953



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FINANCIAL REVIEW

1946-1952

THE larger part of the business of The Babcock & Wilcox Company is long term since several years may elapse between the receipt of an order and its completion. Also, when a company is expanding as yours is, there is a considerable lag before additional plant capacity acquired with retained earnings will produce a profit. Therefore it seems desirable to review the business over a period longer than the usual one or two years and for that purpose the seven years since the end of the war have been selected. Incorporated in this report are comparative statements from 1946 to 1952 of Income and Retained Earnings, Financial Condition and of Property, Plant and Equipment.

Some of the highlights brought out by these statements are graphically presented in the accompanying charts. The following observations may also be helpful.

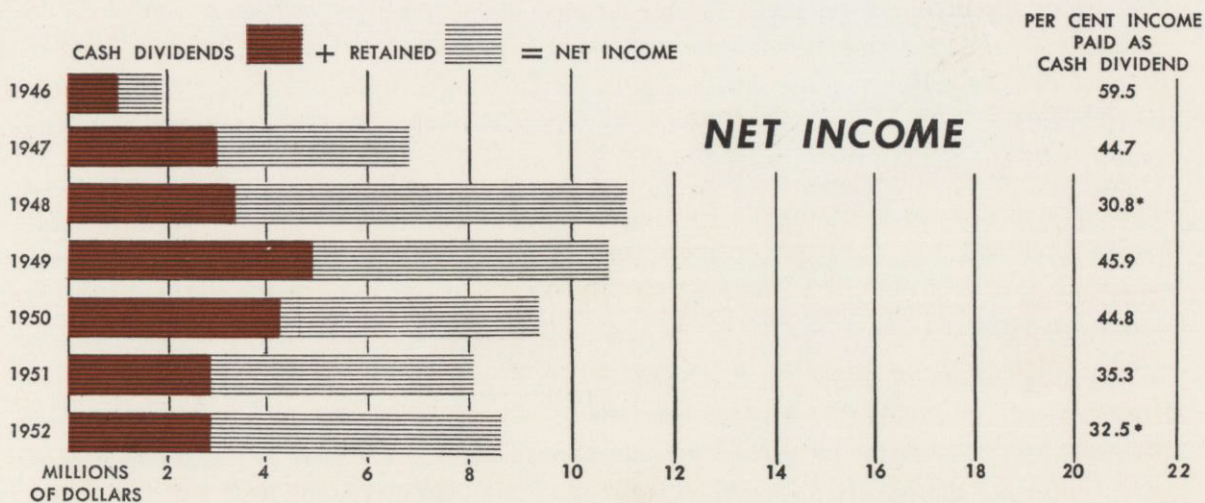
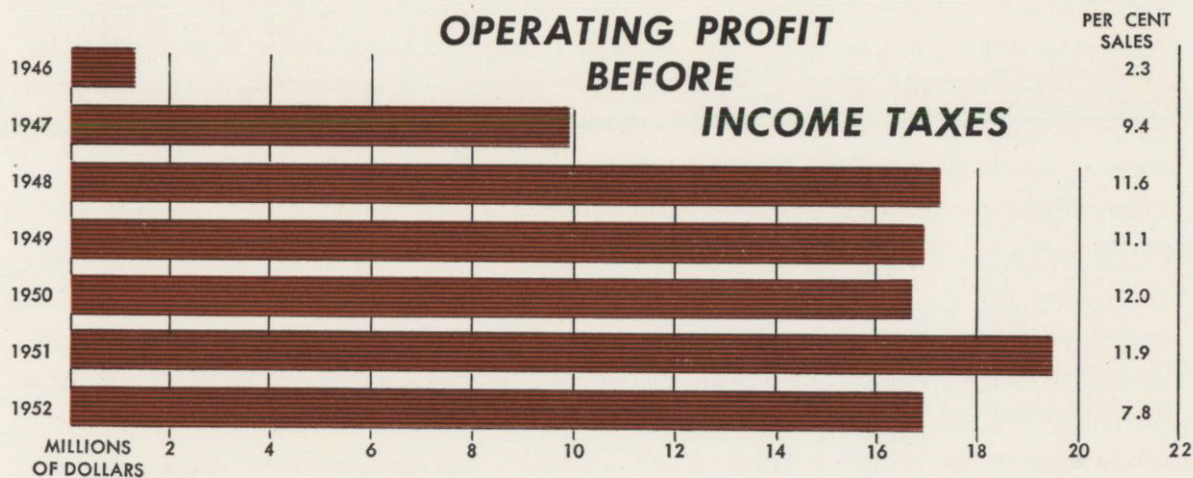
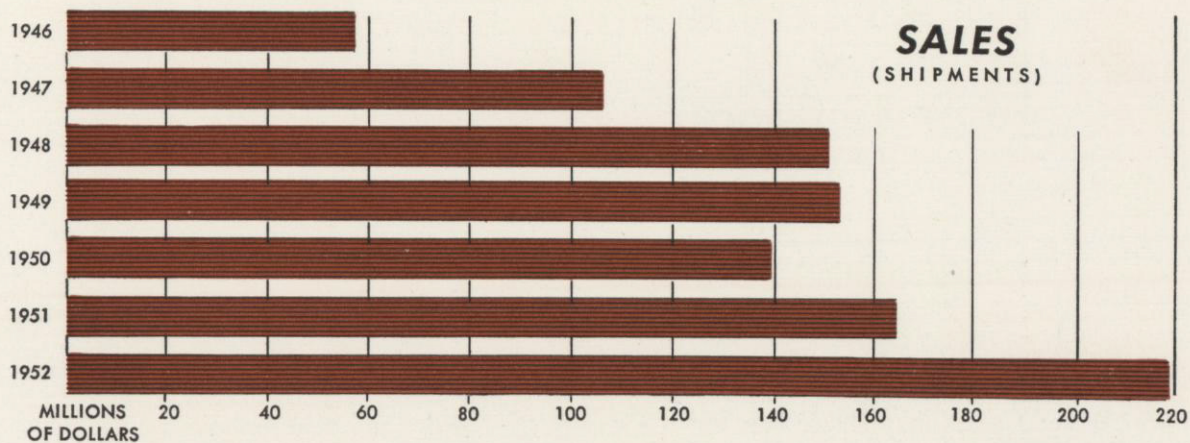
Volume of shipments in 1946 was seriously curtailed by the wave of strikes that swept over the country and the Company suffered from inadequate steel and labor supply. Every year since 1946, but to a lesser extent, production has been affected by some of these factors. Nevertheless, excepting for 1950, there has been an increase in volume every year and in 1952 the all time high of \$219,000,000 was attained.

While some of the increased dollar volume was due to inflation, still there was a substantial increase in physical volume, part the output of our expanded facilities and part subcontracted work.

The percentage of operating profit (before income taxes) on sales increased from 2.3% in 1946 to 9.4% in 1947 and then for the next four years fluctuated between 11 and 12%. In 1952 the percentage fell to 7.8% due largely to cost increases because of subcontracting and the use of premium steel which could not be fully recovered under price control regulations and contractual limitations.

It is expected that the profit margin will improve as a result of the increased output from our new facilities and more favorable price control regulations now obtaining and their anticipated expiration. Net profit has been affected seriously in the last few years by the sharp increase in income tax rates and the imposition of excess profits taxes.

With the exception of 1946 less than half of the Net Income was paid as cash dividends. However cash dividends were supplemented by 5% stock dividends which were declared in 1948 and 1952. A substantial part of the income retained was required to provide additional funds to finance the greatly increased costs brought about by the nation-wide inflation which



*IN ADDITION 5% STOCK DIVIDENDS WERE DECLARED IN 1948 AND 1952



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has occurred since World War II. The remainder was required to finance the additional facilities and the larger inventories and receivables necessary for an increased physical volume of shipments.

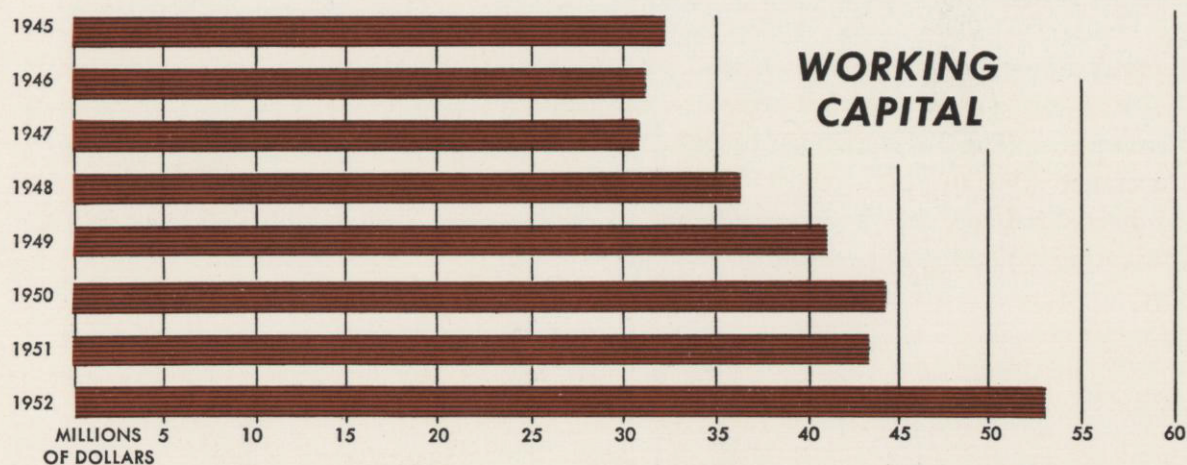
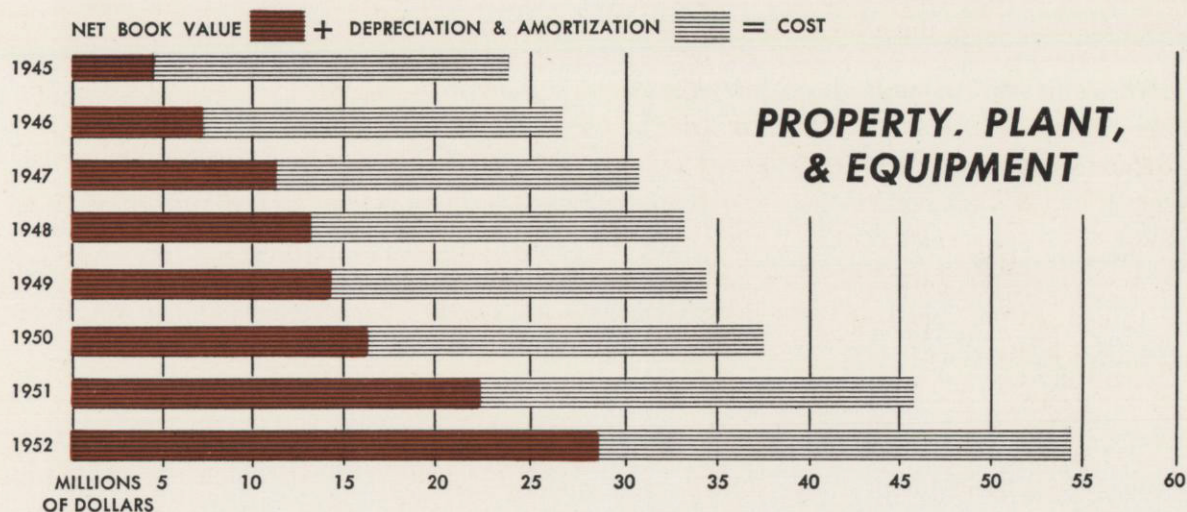
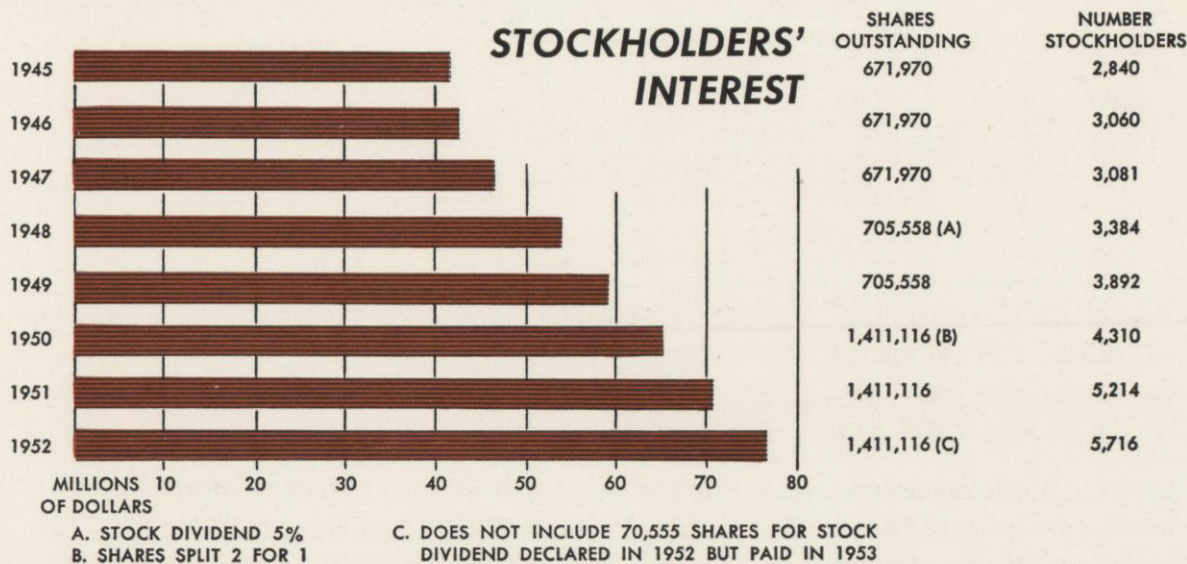
In the seven year period Retained Earnings increased Stockholders Interest from \$41,960,000 to \$76,222,000 or by 82%. Shares outstanding increased from 671,970 to 1,411,116 as the result of a stock dividend and a two for one split. Stockholders increased in number from 2,840 to 5,716. In 1952 the stock was listed on the New York Stock Exchange.

Through 1950 funds produced within the business were sufficient for the Company's needs. The outbreak of war in Korea in June 1950 caused an increase in the expected load of utility companies and operations of many industrial plants, with a resulting quick and large increase in the volume of orders received by all divisions of the Company. As a result shipments increased from \$140,000,000 in 1950 to \$164,000,000 in 1951 with a further increase in 1952 to \$219,000,000.

To finance the larger inventories and receivables incident to such an increased volume and to provide funds for the large expenditures for property, plant and equipment it was necessary to borrow \$20,000,000. Of that total \$10,000,000 was short term bank loans and an equal amount was provided by the sale to a limited number of institutional investors of 3¼% promissory notes due June 1, 1967.

Expenditures for property, plant and equipment for the seven years totaled \$34,582,000 about half of which was spent in 1951 and 1952. These expenditures less retirements increased cost values from \$24,138,000 at the beginning of 1946 to \$54,490,000 at the end of 1952. During the same period net book values increased from \$4,704,000 to \$28,792,000.

At the start of the period being reviewed the Boiler Division operated its main plant at Barberton, Ohio, where boilers and related equipment and process equipment were manufactured; in addition, it operated a plant at Alliance, Ohio, where military equipment such as gun mounts was manufactured. This plant has since been converted to manufacturing boiler parts. The Tubular Products Division (then The Babcock & Wilcox Tube Company) operated its main plant at Beaver Falls, Pa., in the manufacture of seamless tubing of carbon, alloy and stainless steel, both hot finished and cold drawn, as well as electric furnace steel for tubes; in addition, it operated a government-owned tube mill at Alliance, Ohio, in the manufacture of electric resistance-welded carbon steel pressure and mechanical tubes. The Refractories Division operated its plant at Augusta, Ga., in the manufacture of specialty refractories, insulating firebrick, special firebrick, plastics, mortars, castables and calcines.





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In 1946 the Company purchased the government-owned welded tube mill at Alliance, Ohio and certain other government-owned facilities located at its various plants. In 1947 it transferred the research and development work of the Company to a new modern laboratory acquired for the purpose at Alliance, Ohio.

Over the seven year period large amounts were spent to enlarge and modernize existing plants and for new processes such as the large press at Barberton for bending heavy steel plates used in the manufacture of boiler parts and pressure vessels; a drawbench to be used with the new press for the production of heavy wall large diameter alloy headers and hollow forgings; and an extrusion press at Beaver Falls for the more economical production of certain types of specialty tubing in the alloy classification.

Most of our boilers are so large that they must be shipped in sections and erected at the job site. Therefore the manufacture of the parts of a boiler can be carried on at a number of different locations. However it was not until 1951 that the extraordinarily large volume of unfilled orders for boilers made it urgently necessary to expand to a greater extent and at a more rapid rate than could be done at the existing works. In that year construction of a new plant was started at West Point, Mississippi and a leased plant at Wilmington, North Carolina was equipped. In 1952 the Company constructed a plant at Paris, Texas and plant facilities at Brunswick, Georgia were purchased. Construction of a second plant at Wilmington, North Carolina has been authorized.

These new plants have the added advantages of dispersing the Company's activities and are strategically located with respect to customers and raw material supplies.

Generally the post-war period has been a profitable one for the Company. Its growth is a source of great satisfaction, particularly that of the Tubular Products Division which has resulted in greater diversification.

Unfilled orders on December 31, 1952 were \$318,128,000 which was exceeded in the history of the Company only by the amount on December 31, 1951. While it is not to be expected that the present extraordinary volume will continue indefinitely, nevertheless the following quotation from the 1951 annual report holds true, "long range forecasts, ignoring peaks and valleys, indicate a heavy demand for all of the Company's products — boilers, tubes and refractories — for some time to come".

THE BABCOCK & WILCOX COMPANY
CONSOLIDATED STATEMENT OF FINANCIAL CONDITION
AT DECEMBER 31

(In Thousands of Dollars)

	1952	1951	1950	1949	1948	1947	1946
CURRENT ASSETS							
Cash	\$ 5,146	\$ 6,914	\$ 8,321	\$12,829	\$ 5,666	\$ 6,305	\$ 5,779
U. S. Government securities	-	-	7,100	1,600	1,347	4,347	8,847
Accounts receivable	-	-	21,903	24,695	21,396	15,265	11,496
Unbilled shipments and installations	-	-	12,933	10,889	12,746	8,159	2,861
Inventories	-	-	21,115	19,566	25,560	23,139	18,935
Advance payments on contracts (deduct)	-	-	(3,294)	(3,447)	(6,068)	(8,485)	(4,459)
TOTAL CURRENT ASSETS	96,623	78,846	68,078	66,132	60,647	48,730	43,459
CURRENT LIABILITIES							
Notes payable to banks	10,000	3,000	-	-	-	-	-
Accounts payable	10,989	8,589	5,668	7,312	8,151	5,668	3,542
Accrued liabilities	8,544	7,114	5,510	4,413	4,776	3,964	4,423
Cash dividends payable	706	706	706	2,822	705	672	-
Provision for additional costs on contracts	2,500	2,500	2,500	2,500	2,500	2,500	2,500
Federal income and excess profits taxes	10,850	13,560	9,241	7,901	8,109	5,124	1,922
TOTAL CURRENT LIABILITIES	43,589	35,469	23,625	24,948	24,241	17,928	12,387
WORKING CAPITAL	53,034	43,377	44,453	41,184	36,406	30,802	31,072
INVESTMENTS	4,115	4,123	4,123	4,123	4,127	4,149	4,210
PENSION RESERVE INVESTMENTS	2,000	2,000	2,000	1,500	1,000	500	-
PROPERTY, PLANT AND EQUIPMENT	28,792	22,511	16,382	14,572	13,486	11,442	7,376
COSTS ALLOCABLE TO FUTURE OPERATIONS	281	344	214	74	116	107	104
WORKING CAPITAL AND OTHER ASSETS	88,222	72,355	67,172	61,453	55,135	47,000	42,762
DEDUCT							
Fifteen-year 3 1/4% notes	10,000	-	-	-	-	-	-
Reserve for pensions	2,000	2,000	2,000	1,500	1,000	500	-
Excess of assets over liabilities and reserves	\$76,222	\$70,355	\$65,172	\$59,953	\$54,135	\$46,500	\$42,762
REPRESENTED BY							
Capital stock, without par value	29,097	29,097	29,097	29,097	29,097	27,039	17,399
5% stock dividend issued in January 1953	2,353	-	-	-	-	-	-
Retained earnings	44,772	41,258	36,075	30,856	25,038	19,461	25,363
Equity of the Company in net assets of companies controlled but not consolidated, less the carrying value of investments in these companies	\$76,222	\$70,355	\$65,172	\$59,953	\$54,135	\$46,500	\$42,762
Shares Outstanding	\$ 8,944	\$ 7,915	\$ 6,818	\$ 5,969	\$ 4,101	\$ 2,534	\$ 1,845
	1,411,116	1,411,116	1,411,116	705,558	705,558	671,970	671,970

NOTE: The accounts have been restated to include in retained earnings at the beginning of 1946 (1) adjustment resulting from consolidation for the first time of a wholly owned subsidiary 1946 — \$251,000 (2) transfer from reserve for contingencies 1947 — \$5,210,000 and (3) transfer from reserve for investments 1948 — \$922,000.

CONSOLIDATED STATEMENT OF INCOME AND RETAINED EARNINGS FOR THE CALENDAR YEARS

(In Thousands of Dollars)

	1952	1951	1950	1949	1948	1947	1946
Sales (shipments)	\$218,717	\$164,174	\$139,671	\$153,505	\$149,538	\$105,773	\$ 57,707
COSTS AND EXPENSES							
Materials, payrolls, services and taxes other than federal taxes on income	198,699	142,813	121,454	135,169	131,039	94,946	55,739
Depreciation and amortization	2,992	1,823	1,494	1,284	1,144	922	644
	201,691	144,636	122,948	136,453	132,183	95,868	56,383
Income from investments	17,026	19,538	16,723	17,052	17,355	9,905	1,324
Interest expense (deduct)	1,708	1,245	1,399	1,276	1,133	1,297	678
	(385)	(5)					
Federal income and excess profits taxes	18,349	20,778	18,122	18,328	18,488	11,202	2,002
	9,660	12,773	8,170	7,073	6,960	3,940	644
Provision for pension reserve (deduct)	8,689	8,005	9,952	11,255	11,528	7,262	1,358
Refund of prior years' taxes			(500)	(500)	(500)	(500)	
Income for the year							620
DIVIDENDS DECLARED							
Cash	8,689	8,005	9,452	10,755	11,028	6,762	1,978
Stock (5% in each of years 1948 and 1952)	2,822	2,822	4,233	4,937	3,393	3,024	1,176
	2,353				2,058		
Remainder added to retained earnings	5,175	2,822	4,233	4,937	5,451	3,024	1,176
Retained earnings at beginning of year	3,514	5,183	5,219	5,818	5,577	3,738	802
Transfer to capital stock	41,258	36,075	30,856	25,038	19,461	25,363	24,561
Retained earnings at end of year	\$ 44,772	\$ 41,258	\$ 36,075	\$ 30,856	\$ 25,038	\$ 19,461	\$ 25,363

The Company's proportion of the net income for the year of companies controlled but not consolidated, less dividends received

\$ 1,030	\$ 1,096	\$ 849	\$ 1,868	\$ 1,567	\$ 689	\$ 138
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PROPERTY, PLANT AND EQUIPMENT FOR THE CALENDAR YEARS

(In Thousands of Dollars)

	1952	1951	1950	1949	1948	1947	1946
COST							
At beginning of year	\$45,576	\$37,755	\$34,893	\$33,196	\$30,880	\$26,805	\$24,138
Expenditures during year	9,281	7,964	3,324	2,402	3,199	5,005	3,407
Retired or sold during year	(367)	(143)	(462)	(705)	(883)	(930)	(740)
At end of year	54,490	45,576	37,755	34,893	33,196	30,880	26,805
DEPRECIATION AND AMORTIZATION							
At beginning of year	23,065	21,373	20,321	19,710	19,438	19,429	19,434
Charged to operations during year	2,992	1,823	1,494	1,284	1,144	922	644
Accumulated on property retired or sold during year	(359)	(131)	(442)	(673)	(872)	(913)	(649)
At end of year	25,698	23,065	21,373	20,321	19,710	19,438	19,429
NET BOOK VALUE	\$28,792	\$22,511	\$16,382	\$14,572	\$13,486	\$11,442	\$ 7,376



THE
BABCOCK
&
WILCOX
COMPANY

BOILER DIVISION

PRODUCTS

WATER-TUBE BOILERS

FOR PUBLIC UTILITY POWER PLANTS
FOR INDUSTRIAL POWER AND PROCESS
PLANTS
FOR HEATING PLANTS
FOR MARINE SERVICE

WATER-COOLED FURNACES

SUPERHEATERS
ATTEMPERATORS
ECONOMIZERS

AIR HEATERS

PULVERIZED-COAL EQUIPMENT
CHAIN-GRATE STOKERS
OIL, GAS AND MULTI-FUEL BURNERS
PROCESS EQUIPMENT
RECOVERY PROCESSES FOR THE
PULP INDUSTRY
PULVERIZERS FOR CEMENT MATERIALS,
ROCK PRODUCTS AND ORES
ALLOY CASTINGS

PLANTS

Barberton, Ohio

†Wilmington, N. C.

Alliance, Ohio

Paris, Texas

West Point, Miss.

Brunswick, Ga.

SALES OFFICES and REPRESENTATIVES

ATLANTA 3, GA. - - - - Candler Bldg.
BOSTON 10, MASS. - - - 80 Federal Street
CHARLOTTE 2, N. C. - - Liberty Life Bldg.
CHICAGO 3, ILL. - - - 105 S. La Salle St.
CINCINNATI 2, OHIO - - - Carew Tower
CLEVELAND 14, OHIO - Nat'l City Bank Bldg.
DALLAS 1, TEXAS - - - Life of America Bldg.
DENVER 2, COLO. - - - 1720 California St.
DETROIT 26, MICH. - - - Ford Building
GALVESTON, TEXAS - - - Stewart Building
HOUSTON 2, TEXAS - - - C & I Life Bldg.
LOS ANGELES 17, CAL. - 1111 Wilshire Blvd.
MINNEAPOLIS 2, MINN. - Northwest Bk. Bldg.

NEW ORLEANS 7, LA. - Whitney Bank Bldg.
NEW YORK 17, N. Y. - - 161 East 42nd St.
PHILADELPHIA 2, PA. - - Packard Building
PHOENIX 1, ARIZ. - - - Luhrs Building
PITTSBURGH 19, PA. - - Koppers Building
PORTLAND 4, ORE. - - - Failing Building
ST. LOUIS 3, MO. - - - Shell Building
SALT LAKE CITY 1, UTAH - Kearns Building
SAN FRANCISCO 5, CAL. - - 450 Mission St.
SEATTLE 4, WASH. - - - Smith Tower
SYRACUSE 2, N. Y. - - State Tower Building
WASHINGTON 6, D. C.
1025 Connecticut Ave., N.W.

Foreign Representatives

CUBA — Agencia Macfarlane, S. A., Apartado No. 109, Havana

HAWAII — Hawaiian Equipment Co., Ltd., P. O. Box 2990, Honolulu 2

PUERTO RICO — Portilla Corp., P. O. Box 3334, San Juan 15

PHILIPPINES — Earnshaw Dock & Honolulu Iron Works, Tacoma & 2nd St., Port Area, Manila

† Two plants



THE
BABCOCK
&
WILCOX
COMPANY

TUBULAR PRODUCTS DIVISION

PRODUCTS

Seamless and Welded Tubular Products

MECHANICAL TUBING

AIRCRAFT TUBING

BEARING TUBING

DAIRY AND OTHER SANITARY TUBING

STILL TUBES

BOILER TUBES

CONDENSER AND HEAT EXCHANGER TUBES

PIPE

Types: Seamless Tubes — hot-finished, cold-drawn, or rocked.

Welded Tubes — from hot-rolled or cold-rolled strip

Shapes: Round, square, rectangular, or special shapes

Grades: A wide range of carbon, alloy and stainless steels

Fabrication: Upsetting, swaging, expanding, bending, safe-ending
and machining

PLANTS

Beaver Falls, Penna.

Alliance, Ohio

SALES OFFICES and REPRESENTATIVES

BEAVER FALLS, PA. - - - 712 Eleventh St.

BOSTON 16, MASS. - - - 250 Boylston St.

CHICAGO 3, ILL. - - - 105 S. La Salle St.

CLEVELAND 14, OHIO - Nat'l City Bk. Bldg.

DENVER 4, COLO. - - - 1321 Vannock St.

DETROIT 26, MICH. - - - Ford Building

HOUSTON 19, TEXAS - - - 2132 Welch St.

LOS ANGELES 17, CAL. - 1111 Wilshire Blvd.

NEW YORK 16, N. Y. - 22 East 40th Street

PHILADELPHIA 2, PA. - - Packard Building

ST. LOUIS 1, MO. - - - Paul Brown Bldg.

SAN FRANCISCO 3, CAL. - Humboldt Bk. Bldg.

SYRACUSE 2, N. Y. - - - 205 Harrison St.

TULSA 3, OKLA. - - - Philtower Building

Foreign Representatives

CUBA — Agencia Macfarlane, S. A., Apartado No. 109, Havana

CANADA — John H. Bolton, 159 Bay Street, Toronto, Ont.

PUERTO RICO — Portilla Corp., P. O. Box 3334, San Juan 15



THE
BABCOCK
&
WILCOX
COMPANY

REFRACTORIES DIVISION

PRODUCTS

Refractories for a Wide Range of Applications

INSULATING FIREBRICK

Six grades for a wide range of temperature
and service requirements

SPECIAL FIREBRICK

Allmul, 80 Firebrick, Junior Firebrick

PLASTICS

MORTARS

CASTABLES

CALCINES

PLANT

Augusta, Georgia

SALES OFFICES and REPRESENTATIVES

ATLANTA 3, GA. - - - - Candler Bldg.
AUGUSTA, GA. - - - - Savannah Road
BALTIMORE 2, MD. - - - 516 S. Eutaw St.
BOSTON 10, MASS. - - - 80 Federal St.
BUFFALO 2, N. Y. - - 360 Delaware Ave.
CHICAGO 3, ILL. - - - 105 S. La Salle St.
CLEVELAND 14, OHIO - Nat'l City Bank Bldg.
DALLAS 1, TEXAS - - Life of America Bldg.
DENVER 2, COLO. - - 1720 California St.
DETROIT 26, MICH. - - - Ford Building
GALVESTON, TEXAS - - - Stewart Building
HOUSTON 2, TEXAS - - - C & I Life Bldg.
LOS ANGELES 17, CAL. - 1111 Wilshire Blvd.

MILWAUKEE 2, WISC. - 759 N. Milwaukee St.
NEW ORLEANS 7, LA. - Whitney Bank Bldg.
NEW YORK 17, N. Y. - 161 East 42nd St.
PHILADELPHIA 2, PA. - - Packard Building
PHOENIX 1, ARIZ. - - - Luhrs Building
PITTSBURGH 19, PA. - - Koppers Building
PORTLAND 4, ORE. - - - Failing Building
ST. LOUIS 3, MO. - - - Shell Building
SALT LAKE CITY 1, UTAH - Kearns Building
SAN FRANCISCO 5, CAL. - - 450 Mission St.
SEATTLE 4, WASH. - - - Smith Tower
SYRACUSE 2, N. Y. - - State Tower Bldg.

Foreign Representatives

CUBA — Agencia Macfarlane, S. A., Apartado No. 109, Havana
CANADA — Refractories Engineering & Supplies, Ltd., Hamilton, Ont.
 Refractories Engineering & Supplies, Ltd., Montreal, Quebec
HAWAII — Hawaiian Equipment Co., Ltd., P. O. Box 2990, Honolulu 2
PUERTO RICO — Portilla Corp. P. O. Box 3334, San Juan 15

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